

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7214

BILL NUMBER: SB 407

DATE PREPARED: Feb 26, 2002

BILL AMENDED: Feb 25, 2002

SUBJECT: School Air Quality.

FISCAL ANALYST: Michael Molnar

PHONE NUMBER: 232-9559

FUNDS AFFECTED: **GENERAL**
 DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill allows the State Department of Health (Department) to adopt rules establishing an indoor air quality in schools program. The bill requires the Department to inspect the air quality of a school if the Department has received a complaint about the quality of air in the school and to work with the school to develop a reasonable plan to improve air quality. It establishes an advisory panel to work with the Department in developing plans and best practices for school air quality. The bill also allows schools to use capital projects funds for compliance.

Effective Date: July 1, 2002.

Explanation of State Expenditures: (Revised) The costs associated with this bill are twofold. The Department shall conduct inspections of indoor air quality of schools when requested, and the Department shall work with schools and the advisory panel to develop plans to improve air quality. It is assumed that the SDH can absorb the costs of the rule-making process with its current budget and resources.

There are approximately 1,960 public schools within Indiana's 294 school corporations. In addition, there are 856 nonpublic schools in Indiana, approximately 290 of these are accredited K-12 institutions. Of these 2,816 schools, 2,250 are accredited and may request an air quality inspection by the SDH. The total number of inspections that the Department may conduct annually is difficult to determine given the lack of historical data.

If the SDH elects to use in-house staff to perform these inspections, additional inspectors may be required to staff the Air Quality Inspection program. However, it is difficult to estimate the number of inspectors needed and associated cost, given the uncertainty surrounding the number of inspections that would be conducted. The cost for a PAT VI is \$32,240 for the first year, including fringe benefits and indirect costs. Depending upon motor vehicle policy, the SDH may incur additional costs associated with either vehicle purchase and maintenance or mileage reimbursement. In addition, the SDH may incur increased laboratory

expenses if analysis of samples is required. The total costs may be higher or lower depending upon actual time required to conduct the air quality inspections and associated remediation planning. The costs associated with the inspection program will depend upon the structure of the program and the number of inspections performed.

The funds and resources required could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) Funds that, otherwise, would be reverted; or (5) New appropriations. The SDH currently has 120 vacant positions with \$3.3 M in salary authorized. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

The school air quality panel shall provide assistance to the Department. This panel consists of representatives of the State Department of Health, the Department of Education, and volunteers with varied backgrounds. This bill does not provide for salary per diem or travel expenses for these panel members. Thus, there are no costs associated with this provision.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) Local school corporations may incur costs associated with remedying any air quality problems identified. These costs are case-specific and cannot be estimated at this time. This bill allows school corporations to use capital project funds to implement the necessary repairs to comply with an air quality plan.

The local and county boards of health will incur increased expenditures if the SDH delegates inspection responsibilities. Additional costs are not known at this time and are contingent upon program requirements.

Explanation of Local Revenues:

State Agencies Affected: State Department of Health, Office of the State Fire Marshal.

Local Agencies Affected: Local school corporations, local and county boards of health

Information Sources: Marilyn Cage, Legislative Liaison, Indiana State Department of Health, (317) 233-2170; Department of Education SAS and SQL Tables; *Indiana Manning Table*, December 30, 2001.